

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1136 - SB 1492

March 17, 2021

SUMMARY OF ORIGINAL BILL: Requires any person who withdraws water for an emergency to report such withdrawal to the Division of Water Resources, within 90 days of such withdrawal.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (005375): Deletes all language after the enacting clause. Directs the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) to conduct a study of the following:

- Impacts on the hydrology and water volume of the Memphis Sands Aquifer, and any other impacts on the environment of the geographic area in which the aquifer is located, resulting from withdrawals of water from the aquifer made by persons who individually pump more than two hundred thousand (200,000) gallons from the aquifer per day;
- The economic cost of mitigating and/or eliminating any adverse impacts identified under the aforementioned;
- The feasibility of Shelby County imposing a conservation fee on persons who individually pump more than two hundred thousand (200,000) gallons from the aquifer per day to offset any costs identified under subdivision (a)(2), including an estimated fee amount based on the number of persons expected to pay the fee and a rate of aquifer water use; and
- The feasibility and benefits of requiring that an aquifer impact study be conducted prior to the approval of any application for an aquatic resource alteration permit, or for modification of an existing aquatic resource alteration permit.

Requires all state departments and agencies to assist TACIR with the study. Requires TACIR to submit a report disclosing the findings of the study and recommendations, including any proposed legislation or interim reports, to the General Assembly no later than December 31, 2022.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – Exceeds \$100,000/FY21-22

Assumptions for the bill as amended:

- Based on information from the TACIR, the Commission does not have the technical expertise to effectively complete this study.
- The Commission would contract out portions of the study to meet the requirements of this legislation, at an estimated one-time cost exceeding \$100,000.
- Based on information from the TACIR, upon approval of the Commission, the cost of such contract could possibly be covered with a portion of TACIR's reserve funds.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jb